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## BUSINESS, TRANSPORTATION, AND HOUSING

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### Department of Housing and Community Development

The Budget includes \$647.2 million for the Department of Housing and Community Development's activities, including \$466.5 million in Proposition 46 expenditures from the Housing and Emergency Shelter Trust Fund.

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### Office of Real Estate Appraisers

The Budget proposes to consolidate the Office of Real Estate Appraisers into the Department of Corporations.

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### Department of Managed Health Care

The Budget includes \$34.5 million for the Department of Managed Health Care and the Office of Patient Advocate.



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## Department of Transportation

The Budget includes nearly \$6.4 billion in expenditures by the Department of Transportation (Caltrans) and 20,582.6 personnel years, including nearly \$2.0 billion for programs that assist local governments in constructing and operating highway, road, and transit systems, and nearly \$1.6 billion in capital outlay expenditures for state highway construction projects.

The Mid-Year Spending Reduction Proposals included \$1.8 billion related to the Caltrans budget, including the following:

- ◆ Suspension of the 2003-04 General Fund transfer to the Transportation Investment Fund (\$1 billion).
- ◆ Return of the Traffic Congestion Relief Fund (TCRF) to the General Fund (\$100 million).
- ◆ Forgiveness of planned 2003-04 General Fund loan repayment to the TCRF (\$500 million).

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## California Transportation Commission

To ensure the continuation of high priority Traffic Congestion Relief Program (TCRP) projects, the Administration has directed the California Transportation Commission (CTC) to take a leadership role by coordinating the efforts of Caltrans, the CTC, and local transportation agencies to re-evaluate transportation funding and project priorities relative to redirecting State Highway Account (SHA), Public Transportation Account, and local funds toward TCRP projects through the State Transportation Improvement Plan process and the CTC allocation authority.



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## High Speed Rail Authority

The Budget proposes to consolidate the High Speed Rail Authority into the Department of Transportation.

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## Office of Traffic Safety

The Budget proposes to consolidate the Office of Traffic Safety, currently a freestanding office, with the Office of the Secretary for Business, Transportation, and Housing.

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## California Highway Patrol

The Budget includes \$1.232 billion and 10,485.3 personnel years for support of the California Highway Patrol (CHP).

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## Department of Motor Vehicles

The Budget includes \$681.9 million and 8,433.7 personnel years for support of the Department of Motor Vehicles (DMV).

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## Motor Vehicle Account Fee Proposals

The Motor Vehicle Account (MVA) is the major funding source for the DMV and the CHP. Numerous factors have led to the erosion of MVA resources, including existing MVA fees not keeping pace with inflation and higher annual retirement costs.

The Budget assumes fee proposals that would provide nearly \$194 million in new MVA revenues. The Budget also proposes to realign \$67 million of certain program activity costs to appropriate



fund sources and to provide an indexing mechanism to periodically adjust for inflation. These proposals and the amount of revenue (in parentheses) are outlined below:

- ◆ Increasing the base annual vehicle registration cost by \$3 (\$41 million).
- ◆ Increasing the two \$1 CHP vehicle registration surcharges to a total of \$6 (\$54 million).
- ◆ Increasing the costs of a noncommercial driver's license, up to \$24 for a five-year license (\$30 million).
- ◆ Establishing additional penalties for failure to file transfer of title documents (\$11 million).
- ◆ Issuing identification (ID) cards to seniors free of charge and increasing the ID card fees for all others to \$20 (\$9 million).
- ◆ Activating the Business Partner Automation fee, setting the fee at \$3 (\$2 million).
- ◆ Standardizing a variety of DMV fees at \$15 (\$16 million).
- ◆ Establishing a new Public Safety Surcharge on telephone usage (\$30 million). This new revenue source will be used to fund CHP costs that are not eligible from either the SHA or the MVA.
- ◆ Increasing funding from the SHA by \$16 million to fully fund SHA eligible costs.
- ◆ Increasing funding from the State Emergency Telephone Number Account by \$51 million to fully fund 9-1-1 activities performed by the CHP.

